

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT County Fire	(2) MEETING DATE 7/24/2012	(3) CONTACT/PHONE Fire Chief Robert Lewin / 543-4244 Bill Winter / 543-4244	
(4) SUBJECT Request to approve the FY 2012-13 annual agreement (Clerk's File) for cooperative fire protection services with the California Department of Forestry and Fire Protection (CAL FIRE) and a related a related budget adjustment to add \$488,268 of expenditure appropriation and matching revenue to Fund Center 140 County Fire to reflect the First Solar paramedic contract for service in California Valley approved by the Board on June 19, 2012.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1) Approve and direct the Chair to sign the FY 2012-13 annual agreement for cooperative fire protection services with the California Department of Forestry and Fire Protection (CAL FIRE); and, 2) Approve a related budget adjustment to add \$488,268 of expenditure appropriation and matching revenue to Fund Center 140 County Fire to reflect the First Solar paramedic contract for service in California Valley approved by the Board on June 19, 2012.			
(6) FUNDING SOURCE(S) Fund Center 140 - County Fire	(7) CURRENT YEAR FINANCIAL IMPACT \$14,827,403.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1213001 <input checked="" type="checkbox"/> 4/5th's Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: County Fire / Fire Chief Robert Lewin / 543-4244
Bill Winter / 543-4244

DATE: 7/24/2012

SUBJECT: Request to approve the FY 2012-13 annual agreement (Clerk's File) for cooperative fire protection services with the California Department of Forestry and Fire Protection (CAL FIRE) and a related a related budget adjustment to add \$488,268 of expenditure appropriation and matching revenue to Fund Center 140 - County Fire to reflect the First Solar paramedic contract for service in California Valley approved by the Board on June 19, 2012.

RECOMMENDATION

It is recommended that the Board:

- 1) Approve and direct the Chair to sign the FY 2012-13 annual agreement for cooperative fire protection services with the California Department of Forestry and Fire Protection (CAL FIRE); and,
- 2) Approve a related budget adjustment to add \$488,268 of expenditure appropriation and matching revenue to Fund Center 140 - County Fire to reflect the First Solar paramedic contract for service in California Valley approved by the Board on June 19, 2012.

DISCUSSION

CAL FIRE has provided fire protection and related services to the County of San Luis Obispo through a series of annual agreements since 1930. The services provided include emergency medical response, structural and vehicle fire suppression, hazardous materials spill mitigation, aircraft rescue and firefighting, and technical and confined space rescue. Sections 4142 and 4144 of the California Public Resources Code authorize this agreement between the State and the County.

Currently, the County Fire Department operates out of 16 fire stations providing service to an area of over 3,200 square miles. These fire stations include ten County-owned facilities and six State-owned facilities. Fourteen stations are now staffed seven-days-per-week with full-time staff. Carrizo Plains Station 42 and Creston Station 43, which were previously staffed only three-days-per-week, have been converted to seven-day staffing this fiscal year. Morro-Toro Station 14 and Oak Shores Station 34 remain volunteer stations, with Paid Call Firefighters (PCFs) responding to incidents, supported by full-time staff from other stations.

The Fiscal Year 2011-12 budget eliminated County-funded winter staffing at Headquarters Station 12. However, the department was able to maintain this staffing at no additional cost to the County through savings on overall personnel costs. This staffing remains in place for FY 2012-13 and is reflected in this agreement.

In January of 2012, County Fire began staffing Carrizo Plains Station 42 in California Valley on a seven-day-per week basis. Staffing has been increased due to the on-going construction of two solar plants in California Valley, and will remain in place until construction is complete in approximately three years. Sales tax revenues generated by solar plant construction, which will be received in Fund Center 101 – Non-Departmental Revenues, will offset the

additional cost of this increase in services.

On June 19th, 2012, your Board approved a contract with First Solar, Inc. under which the department provides Advanced-Life Saving (ALS) emergency medical services at Carrizo Plains Station 42, beginning July 1, 2012. First Solar is reimbursing the County for the cost of these services, and the additional staffing required is included in this agreement. These services will remain in place until construction is complete in approximately three years.

Construction of the new Creston Station 43 was completed in July of 2012. The department was able to reassign personnel to begin seven-day-per week staffing, with additional funding from the County for one of three needed positions. The additional position is included in this contract.

The amount of this contract is \$14,827,403. This reflects a \$1,298,920 (9.6%) increase over the Fiscal Year 2011-12 contract and is made up of the following:

- \$577,407 to increase staffing at Carrizo Plains Station 42, funded through sales tax generated by solar plant construction;
- \$453,659 to add Advanced-Life Saving (ALS) emergency medical services at Carrizo Plains Station 42, with funding provided by First Solar, Inc. (An additional amount of \$34,609 related to the First Solar contract is included in the requested budget adjustment. This amount is for costs that will be borne by the County Fire budget, but are not included as part of the contract with CAL FIRE.)
- \$164,591 to add a new Fire Captain position at Creston Station 43, allowing seven-day-per-week staffing. This addition is offset by expenditure reductions and approximately \$32,000 of addition General Fund support.
- \$103,263 of various other expenditures, including winter staffing of San Luis Obispo Station 12. This staffing was not budgeted in FY 2011-12, but which the County was able to provide due to lower than anticipated costs for personnel under the contract with CAL FIRE.

Only about \$32,000 of this increase is funded by County General fund revenue. The remainder is supported by expenditure savings in the non-contracted portion of the County Fire budget or by new revenue. The new revenue is either from the sales tax resulting from the two solar projects, or from the service contract for ALS service.

The contract can also be looked at from a functional standpoint. Of the total, managing the department takes \$820,024 (5.5%), preventing emergencies takes \$853,704 (5.8%), preparing for emergencies takes \$966,724 (6.5%), and responding to emergencies takes \$12,186,951 (82.2%).

Also included in the contract are costs which are offset by revenues under fire protection and emergency response agreements between the County and the following agencies. The portion of this contract attributable to each agency is shown.

- Los Osos Community Services District, \$1,584,156
- First Solar, Inc., \$453,659
- San Luis Obispo County Municipal Airport, \$412,164
- Avila Beach Fire Protection District, \$135,888

This contract is the product of ongoing cooperative fire protection and emergency response efforts between the County, the State, and numerous other emergency response agencies. It builds on the strengths of each agency, and effectively leverages the County's investment in protecting the lives and property of County residents and visitors, with the capabilities and resources of those agencies.

In addition to this contract, the Board is being asked to approve a budget adjustment request that will allow the department to implement the contract with First Solar, Inc. approved by the Board on June 19, 2012. It includes increases of \$488,268 to both revenues and expenditures. Revenues will be in the form of payments from First Solar under that contract, and will fully offset department expenditures. Expenditures will include the amount of the CAL FIRE annual contract attributed above to the First Solar, Inc. contract, and additional department costs outside of the CAL FIRE annual contract. This Budget Adjustment Request will have no impact on the County General

Fund.

FINANCIAL CONSIDERATIONS

This agreement for cooperative fire protection services is in the amount of \$14,827,403. This includes \$14,373,744 from the department's budget for Fiscal Year 2012-2013, plus another \$453,659 included in the budget adjustment. The contract also includes expenses with offsetting revenue for existing cooperative fire protection service agreements under which County Fire provides services to Los Osos CSD and Avila Beach CSD, and the new emergency medical services agreement with First Solar, Inc..

The FY 2012-13 contract reflects a \$1,298,920 or 9.6% increase over the FY 2011-12 contract. Only about \$32,000 of this increase is funded by County General Fund support. The remainder is supported by expenditure savings in the non-contracted portion of the County Fire budget or by new revenue sources. The new revenue sources include sales tax resulting from the two solar projects (\$577,407) or revenue from First Solar for the service contract for ALS service in California Valley (\$453,659).

This contract comprises approximately 83% of County Fire's Fiscal Year 2012-2013 budget. Other, non-contract expenditures include training; equipment; stipends for paid-call-firefighters; facility rent, maintenance and utilities; insurance and countywide overhead. As stated above, the amount of this contract is a 9.6% increase over the FY 2011-12 contract, and the increase is largely the result of staffing increases which are fully offset with new revenues.

OTHER AGENCY INVOLVEMENT

The attached agreement has been reviewed by County Counsel and County Risk Management. The County Auditor/Controller's office has approved the associated Budget Adjustment Request.

RESULTS

This cooperative agreement between the County and CAL FIRE provides for the continued efficient and cost-effective delivery of fire and emergency services, and allows the Department to continue its efforts to meet performance measures included in the County Budget. It is an essential part of the department's efforts to provide a safe community, a healthy community and a well-governed community.

ATTACHMENTS

1. Clerk's File - CAL FIRE FY 12-13 Contract